this package range between 400-600 bottles per minute. This firm offers two models for 2-L bottles, both are fully automatic and programmable. Both models are also operatorless and floor level units.

Ouelette builds automatic and semi-automatic units to bulk depalletize virtually any container. Standard models (approximately 20) are available, as well as those built to customer specifications.

Asked what features or advances will beverage producers seek in the future, an Ouelette spokesman commented, "Faster machines for less money."

Asked the same question, spokesmen for Acme Conveyors, responded, "Low price, low level depalletizers for direct in-line applications." Acme is involved in units for bulk depalletizing glass.

The firm's newest, Model 40 PC, has continuous sweep and automatic chip placement. Claimed to be the fastest on the market, it is capable of handling up to 1800 16-oz. Plasti-Shield bottles per minute.

Kusel Manufacturing anticipates a stronger trend toward receiving PET in bulk. The firm is currently offering a unit, Model KMH, which picks up PET bottles by a clamp/air bag combination around the entire layer. The floor level model is also automatic.

Speed, automation sought in new units

Characteristics	Very important	Somewhat important	Not too important	Not at all important
Faster Speed	86%	14%	–	–
Greater Flexibility in operation	28%	57%	15%	–
More automatic action	57%	29%	14%	–
Advanced controls or monitoring systems	29%	43%	28%	–
Greater efficiency in operation	43%	57%	–	–
More energy efficient	–	43%	43%	14%

Source: Statistical Research Center (SRCH) of H&J Publications

Copyright: Beverage Industry, January 1984

Automatic accepted

Indicating that the new units have reached a high degree of reliability, all of the respondents said that automatic controls are "well accepted" by beverage firms.

The response would probably have been decidedly different if the question had been asked several years ago when the new electronic controls first came on the market.

Litton's new unit is highly automated. It has a multilane case infeed system for rapid row forming without case turning, multi-layer staging prior to stripping layers onto pallets, and a high capacity pallet handling system. Called the Palomatic 3600, the unit operates at speeds between 100-150 cases per minute.

A highly automatic case depalletizer with speed of 45 cases per minute strips layers using a special clamp device, unscrambles most pattens gently and discharges cases in single files.

Alvey's units are totally automatic and even come with built-in diagnostic features. Either hydro hoist or chain hoist equipment is offered and case handling speeds of up to 60 cases per minute are other features. □

Only nature has had more experience with citric acid than Pfizer

Making the complex look simple is an art. Here, you see the art of a master engraver who has worked for months with the purest crystal.

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Exactly how nature produces Citric Acid was long a mystery; the chemistry was too subtle, too sophisticated. But Pfizer was determined to solve that mystery, and set out to find ways to produce bountiful new supplies of Citric Acid through the natural process of fermentation chemistry.

It took us almost a generation of work, but it was done and done well. Today, Pfizer produces more Citric Acid than anyone in the world. Far more. And we have been working on Citric Acid longer than anyone else. With the sole exception of our teacher, Mother Nature herself. Pfizer commissioned this exquisite crystal piece in appreciation of the models she gave us.

Pfizer
CHEMICAL DIVISION

More than 17,000 attend DFISA expo in Chicago

CHICAGO—The 1983 Food and Dairy Expo at McCormick Place in Chicago drew its highest attendance since the mid-1960s, according to DFISA officials, with an attendance of 17,305.

Fred Greiner, executive vp of the association, attributed its success to the recent economic turn-around and to the many exhibits that attracted a broad spectrum of interest.

Highlights of this year's expo included modern aseptic and tamper-evident packaging machinery, microprocessor control systems, premium ingredients and flavorings. □

Beer has modest bounceback, up 1%

(Continued from page 1)
shown by light and popular beer brands during the past year. Miller Lite has equaled the company's High Life brand in production, both with 18.0 million barrels last year. Anheuser-Busch's Bud Light has, meanwhile, moved up to replace Schlitz as the No. 10 brand. Coors Light also showed respectable growth during the past year, up from 2.7 million barrels in 1982 to 3.6 million barrels.

As a category, light brands increased from 32.4 million barrels, or 17.8% share of market, to 34 million barrels, or 18.5% share of market. Significant too, the category is considerably up from 1981 statistics of 9.0 million barrels in production and 4.7% market share.

The popular brands category showed a 1.2% increase over 1982 production figures, up from 36.7 million barrels to 39.3 million barrels. The category showed increases in A-B's Budweiser brand, up to 42.7 million barrels in 1983 from 40.6 million barrels in '82; Stroh's Schaefer, up from 2.5 million barrels in '82 to 3.0 million barrels in '83; and Old Milwaukee, up from 6.0 million barrels to 7.6 million.

In terms of individual companies, Coors increased its market share almost a full percentage point, due mostly to its aggressive rollout in the Southeast, according to Maxwell. This was the only domestic brewing company to raise share by this amount through internal growth. Coors' total 1983 production was 13.6 million barrels, com-

(Continued on page 16)

The top ten: light beers make big strides in '83

SPECIAL REPORT—Production of Miller's Lite brand equaled that of the company's High Life brand in 1983. Although High Life and Lite retain their No. 2 and 3 positions, respectively, within the top 10 domestic beer brands, Lite production increased some 800,000 barrels during the past year, compared to High Life's 2.4-million barrel drop in production.

A not-so-surprising change in this year's list of top 10 beer brands was the removal of Schlitz as No. 10. What was perhaps more of a surprise was that it has been replaced by Anheuser-Busch's Bud Light, which rolled out some 3.7 million barrels in 1983.

A-B's Budweiser brand remained at the top of the list with an increase of 2.1 million barrels over 1982 production, or 42.7 million in 1983, compared to 40.6 million barrels in '82.

Coors moved up in both production and market share while retaining its No. 4 position. Coors' products now hold 5.3% market share with 1983 production at 9.8 million barrels, compared to 4.9% market share and 9.1 million barrels in 1982.

Old Milwaukee and Michelob brands swapped places as the No. 6 and 7 brands, respectively. Old Milwaukee increased market share and production last year to 4.1% and 7.6 million barrels compared to 3.2% and 6 million barrels in 1982. Milwaukee dropped from 4.6% to 3.8% market share and from 8.5 million barrels to 7.0 million barrels during the two-year period.

Old Style, No. 8, maintained its 3.1% market share, increasing volume only 200,000 in 1983. Stroh, in the No. 9 position, held its 2.9% market share, while increasing production by 100,000 barrels. □

Brewers' estimated market shares

	1980	1981	1982	1983E
Anheuser-Busch	28.2%	30.0%	33.0%	33.5%
Miller	20.9	22.2	22.0	20.9
Stroh	13.9	12.9	12.8	13.4
Heileman	7.5	7.7	5.1	9.7
Coors	7.8	7.3	6.6	7.5
Pabst	11.9	10.5	9.8	7.3
Genesee	2.0	2.0	1.9	1.7
Schmidt	2.0	1.6	1.8	1.7
Pittsburgh	0.6	0.5	0.5	0.5
Others, Net*	5.2	5.3	3.5	3.8
Total	100.0%	100.0%	100.0%	100.0%

*Includes imports and excludes tax-free.
Source: Lehman Brothers Kuhn Loeb Research

Copyright: Beverage Industry and John Maxwell January 1984

Production by brand

(Mil. Bbls.)

	1977	1978	1979	1980	1981	1982	1983E
Anheuser-Busch							
Budweiser	25.0	27.0	31.0	34.6	39.1	40.6	42.7
Michelob	6.2	7.5	8.0	8.0	7.7	7.4	7.0
Bud Light	–	–	–	–	–	3.3	3.7
Busch & Busch Bavarian	3.4	3.6	3.2	2.8	3.1	3.4	3.4
Michelob Light	–	1.0	2.0	2.4	2.7	2.9	2.7
A-B Natural Light	1.9	2.5	2.0	2.4	1.9	1.5	1.0
Other	–	–	–	–	–	–	–
Total	36.5	41.6	46.2	50.2	54.5	59.1	60.5
Miller							
High Life	16.5	20.8	23.6	22.7	22.3	20.4	18.0
Lite	7.5	9.5	11.2	13.2	16.3	17.2	18.0
Lowenbrau	0.2	1.0	0.9	1.2	1.5	1.4	1.1
Meister Brau							0.3
Other	–	–	0.1	0.1	0.2	0.3	0.3
Total	24.2	31.3	35.8	37.2	40.3	39.3	37.7
Stroh							
Stroh				5.7	5.5	5.4	5.5
Schaefer				3.6	3.0	2.5	3.0
Stroh Light				0.5	0.6	0.6	0.7
Goebel					–	0.3	0.3
Total		10.2	9.6	9.8	9.1	8.8	9.5
Old Milwaukee		3.6	3.7	4.2	5.1	6.0	7.6
Schlitz		13.0	10.5	7.5	5.7	4.1	3.0
Schlitz Malt		1.8	1.9	2.3	2.5	2.6	2.6
Old Milwaukee Light		–	–	–	–	0.8	1.1
Schlitz Light		0.8	0.6	0.4	0.3	0.4	0.3
Erlanger		–	–	0.4	0.5	0.1	–
Other		0.4	0.1	0.2	0.2	0.1	0.1
Total		19.6	16.8	15.0	14.3	14.1	14.7
Stroh Total		29.8	26.4	24.8	23.4	22.9	24.2
Heileman							
Old Style & Light & Export				4.8	5.4	5.6	5.8
Blatz & Light				1.3	1.5	1.7	1.8
Carling Black Label & Light				0.8	1.0	1.6	1.9
Colt 45				1.1	1.2	1.5	1.6
Schmidt/Rainier				1.6	1.7	2.0	2.3
Red, White & Blue				–	–	–	0.9*
Blitz				–	–	–	0.6*
Lone Star				–	–	–	0.6*
All Other				3.7	3.2	2.1	2.0
Total				13.3	14.0	14.5	17.5
Coors							
Coors		12.1	11.3	11.4	11.2	9.1	9.8
Coors Light		0.5	1.6	2.4	2.0	2.7	3.6
Others		–	–	–	0.1	0.1	0.2
Total		12.6	12.9	13.8	13.3	11.9	13.6
Pabst							
Pabst		12.7	12.3	11.2	9.6	8.6	7.7
Red, White & Blue		0.5	0.9	1.2	1.3	1.0	0.2#
Olde English (Malt)		0.5	0.7	1.0	1.1	0.9	1.0
Blitz		0.3	0.5	0.8	0.5	0.6	– #
Pabst Extra Light		0.6	0.7	0.6	0.5	0.5	0.4
Jacob Best		–	–	–	–	0.4	0.3
Andeker		–	–	–	0.1	0.1	0.1
Other		0.8	–	0.3	0.4	0.2	–
Total		15.4	15.1	15.1	13.5	12.3	9.7
Hamms & Light							2.0*
Olympia							1.0*
Olympia Gold							0.2*
Lone Star							0.3#
Other							–
Total		6.7	6.0	6.1	5.7	5.2	3.5
Pabst Total		22.1	21.1	21.2	19.2	17.5	13.2

*Nine months.
#Three months.

Source: Lehman Brothers Kuhn Loeb Research

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Beer has modest bounce back, up 1%

(Continued from page 15)

pared to 11.9 million barrels in '82.

Heileman's basic products increased 0.6 in units, and with the addition of Pabst products, increased its share by over 1.5 points.

Anheuser-Busch maintained its No. 1 position with 60.5 million barrels produced in 1983, compared to 59.1 million barrels in 1982. A-B's share of market increased to 33.5%, compared to 33.0% the previous year.

Stroh, the third largest domestic brewer, also did well in '83 production with 24.2 million barrels compared to 22.9 million barrels the year before. Stroh increased its share of market from 12.8% in 1982 to 13.4% the past year. A good portion of the company's growth came from Schaefer's Old Milwaukee and Old Milwaukee Light.

For the second consecutive year No. 2 Miller dropped in both production and share of market. Production was at 37.7 million barrels, compared to 39.3 million barrels in 1982; market share declined to 20.9% in 1983 compared to 22.0% in '82.

Anheuser-Busch has indica-

(Continued on page 17)

Imported beer outlook positive with 8% volume growth in '83

SPECIAL REPORT—The imported beer industry showed unit growth of 8.0% over 1983 and promises to continue at that level, according to John Maxwell, **Beverage Industry's** director of research/statistics.

"Acceptance of imported beer by the white-collar class has helped to fuel its growth," notes Maxwell. "Beer is no longer just a working man's drink."

Among import brands, Heineken remains the unchallenged leader with 37.8% of the market. Molson retained the No. 2 position despite a decline in shipments and a slight loss of market share. Molson now has 15.9% of the market.

Maxwell believes that some of the Canadian beers are experiencing difficulty for two reasons: Aggressive marketing programs by European brands; and a great deal of discounting, particularly on the part of German producers. The continued strength

(Continued on page 17)

Market breakdown by product

(Mil. Bbls. and % Shares)

	Super Premium		Premium		Light		Popular		Malt Liquor		Imported		Total
1981	12.6	6.9%	93.8	51.6%	25.1	13.8%	38.8	21.3%	6.4	3.5%	5.2	2.9%	181.9
1982	12.4	6.8	88.5	48.5	32.4	17.8	36.7	20.1	6.6	3.6	5.8	3.2	182.4
1983	11.6	6.3	86.4	46.9	34.0	18.5	39.3	21.3	6.6	3.6	6.3	3.4	184.2

Source: Lehman Brothers Kuhn Loeb Research

Copyright: Beverage Industry and John Maxwell January 1984

Brewers' production

(Mil. Bbls.)

	1971	1977	1978	1979	1980	1981	1982	1983E	Year-end Capacity 1983E
Anheuser-Busch	24.3	36.6	41.6	46.2	50.2	54.5	59.1	60.5	66.0
Miller	5.1	24.2	31.3	35.8	37.2	40.3	39.3	37.7	44.0
Stroh (a)	26.0	32.9	29.8	26.4	24.8	23.4	22.9	24.2	30.0
Heileman (b)	9.4	10.6	10.5	11.3	13.3	14.0	14.5	17.5	26.0
Coors	8.5	12.8	12.6	12.9	13.8	13.3	11.9	13.6	15.0
Pabst (c)	16.0	22.8	22.1	21.1(f)	21.2	19.2	17.5	13.2	14.0
Genesee	1.6	2.8	3.0	3.4	3.6	3.6	3.4	3.0	3.3
Schmidt	3.2	3.5(e)	3.8	3.8	3.6	3.2	3.2	3.0	4.3
Pittsburgh	1.0	0.7	0.6	0.7	1.0	0.9	1.0	1.0	1.2
All Others (d)	34.8	11.4	9.3	9.1	7.8	6.8	6.2	6.8	14.7
	129.9	158.3	164.6	170.7	176.5	179.2	179.0	180.5	218.5
Less Tax-Free Exports and Military	2.5	2.3	2.6	2.6	3.1	2.5	2.4	2.6	
	127.4	156.0	162.0	168.1	173.4	176.7	176.6	177.9	
% Increase	–	3.7%	3.8%	3.8%	3.2%	1.9%	(0.1)%	0.7%	
Imports	0.9	2.5	3.5	4.4	4.6	5.2	5.8	6.3	
Consumption	128.3	158.5	165.5	172.5	178.0	181.9	182.4	184.2	
% Increase	–	3.7%	4.4%	4.2%	3.2%	2.2%	0.3%	1.0%	

(a) Schaefer & Stroh combined for all years; Schlitz is now part of Stroh.
(b) Includes Carling National for all periods except first three months of 1979.
(c) Reflects combination of Pabst and Olympia.
(d) General has not been absorbed into "All Others."
(e) Volume included in all others.
(f) Includes Blitz.

Source: Lehman Brothers Kuhn Loeb Research

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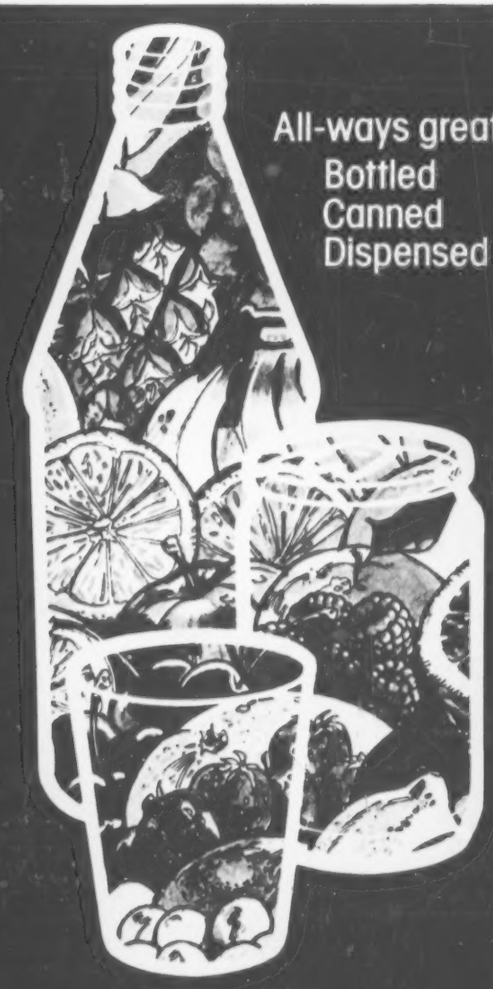

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Beer industry has modest bounceback

(Continued from page 16)

ted it will make its Busch and Natural Light brews into fighting brands during the coming year, according to Maxwell. This, he points out, will add to industry competition, and could have adverse ramifications for some smaller companies.

Miller's introduction of Meister Brau as a popular-priced product could further compound the situation, says Maxwell, as could a national rollout of Maxx, the popular-priced beer being tested by Pabst.

New product launches during 1984, Maxwell projects, will be led by A-B, which appears to be examining another super premium and a malt product, in addition to a couple of other possible entries.

"All in all, this should make the domestic market very competitive and active, which could stimulate 1984 demand to some extent," he says. □

Estimated malt liquor sales volume

(000 barrels)

	1972	1976	1979	1980	1981	1982	1983E
Schlitz (Schlitz)	700	1,500	1,900	2,300	2,500	2,600	2,600
Colt 45 (Heileman)	1,050	1,400	1,000	1,100	1,200	1,500	1,600
Olde English (Pabst)	–	–	750	1,000	1,100	900	1,000
Champale (Iroquois)	285	400	900	900	650	600	500
Mickey's (Heileman)	–	–	–	–	400	500	500
Country Club (Pearl)	700	500	300	200	200	–	–
Magnum (Philip Morris)	–	–	–	–	200	300	200
Malt Duck (Heileman)	–	100	100	100	75	100	100
Bud Malt (Anheuser-Busch)	200	–	–	–	–	–	–
900 (Pearl)	–	–	–	–	50	–	–
Subtotal	2,935	3,900	4,950	5,600	6,375	6,500	6,500
All Others	250	150	50	50	50	50	50
Total	3,185	4,050	5,000	5,650	6,425	6,550	6,550

Source: Lehman Brothers Kuhn Loeb Research

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Imported beer outlook positive with 8% growth

(Continued from page 16)

of the U.S. dollar, he continues, is also helping European imports by allowing them to increase their price/value ratio in the U.S. marketplace.

Despite the overall optimism for imported beer, Maxwell cautions "there are sure to be some casualties.

"As in every potentially profitable market, everyone wants a piece of the action," he observes. "The attractive growth in this industry has caused new brand entries to more than quadruple in the past five years. This is especially true of European producers who, faced with slow- or no-growth markets in their own countries, see exports to the U.S. as a way of increasing sales."

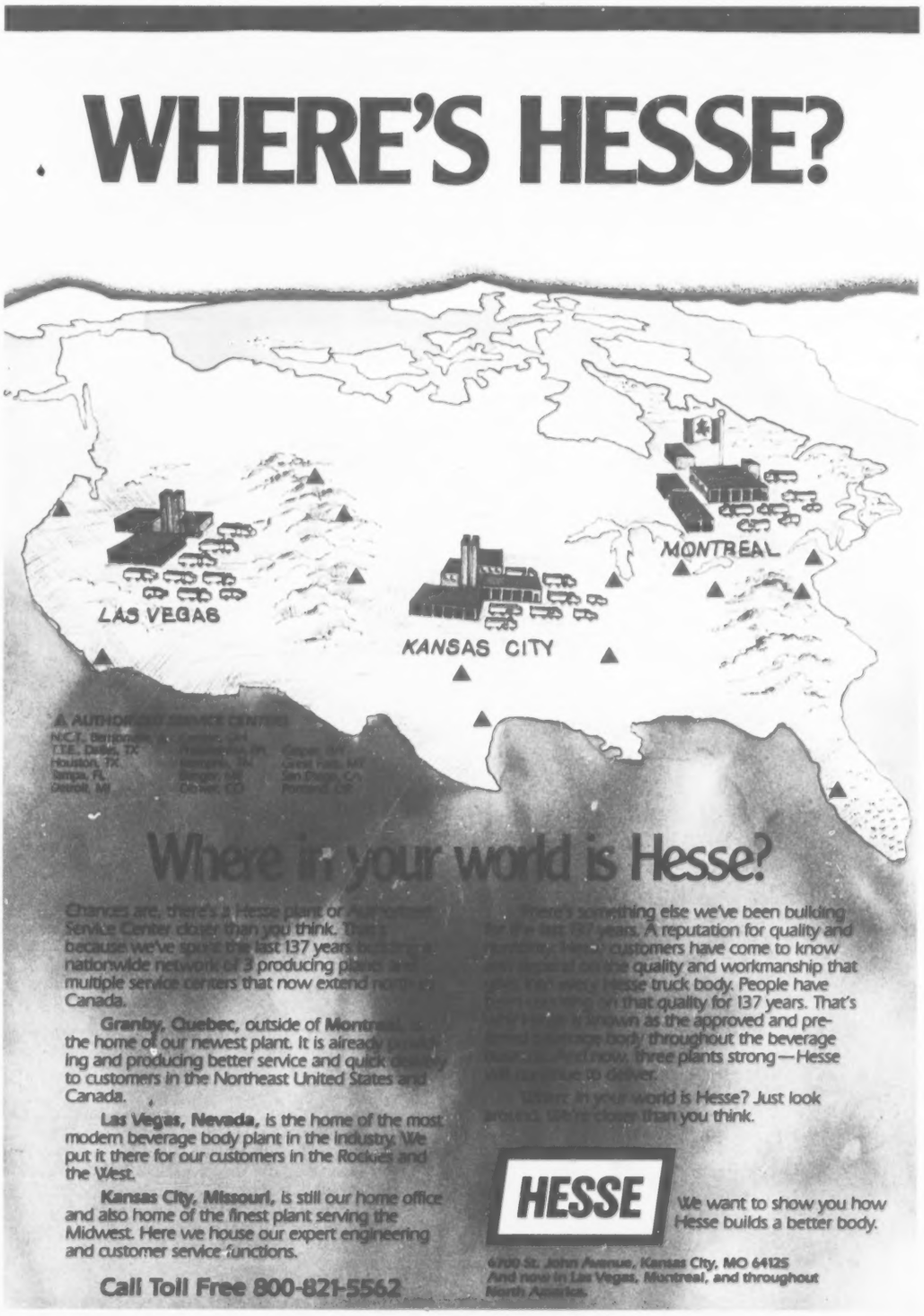
Another factor that should cut down on brand proliferation, he projects, is the bottling bill now in effect in several states.

"As things settle down, we expect the bigger brewers to become more aggressive in their pursuit of market share," he continues. "As consolidation also occurs, the winners will be those who are able to establish brand loyalty through aggressive marketing of superior products."

Light imports

Among light entries, Maxwell points to Van Munching's Amstel Light, one of the premier entrants in this category. Shipments of Amstel

(Continued on page 60)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12-pack introduced by Coca-Cola USA

ROCHESTER, NY—A handy new package for soft drinks is being tested here by Coca-Cola USA with consumer convenience in mind.

The first "12-pack," containing 16-oz. returnable glass bottles began rolling in November and offers consumers a "convenient method to purchase and return 12 non-refillable glass bottles for refund" in the state's mandatory deposit-redemption environment, according to company officials. The package is initially geared for Coca-Cola, diet Coke, TAB and Sprite.

BI Now Package

Each pre-labeled glass bottle is capped with a resealable plastic closure. Two 12-packs are taped by machine in-plant and then transported to the retailer. Once there, the taped joint between the two 12-packs is cut and each unit is stacked.

Hand holes are cut into the sides of each pack, permitting easy carrying. The consumer keeps the carton, report company officials, and then uses it to return all 12 bottles for a deposit refund. The bottles, which are crushed by the Rochester Coca-Cola Bottling Co., are then returned to Owens-Illinois. The glass is used in new glass bottle manufacturing.

Owens-Illinois is supplying the Rochester facility with the cartons, bottles and plastic closures, report officials. □

BMC report highlights trends of U.S. market

(Continued from page 9)

ures had taken a startling leap: non-sparkling was up to 352.9 million; domestic sparkling, 60.5 million; club/seltzer, 53.1 million; and imports, 13.4 million. Although the figures show the club/seltzer category had not yet blossomed, that would come later.

"Around 1979-80," reports Fanshawe, "there was a tremendous amount of private label club/seltzer business that attracted the price-conscious consumer." Hence, a further trade down. By 1981, club/seltzer gallonage stood at a whopping 95.0 million gallons—nearly a 100% increase in three years. That same year, non-sparkling gallonage checked in at 537.7 million; domestic sparkling, 76.0 million; and imports, 11.6 million.

Since that year, despite the cannibalization of one sparkling segment by another, the entire bottled water market has grown. BMC estimates that for 1983, domestic sparkling gallonage will total 81.6 million; club/seltzer, 127.6 million; imports, 14.4 million; and non-sparkling, 711.0 million. "There's no nationally branded non-sparkling water, no national ads and no national organization, but it is growing at a rate of about 15%. Imagine if that was fueled," comments Fanshawe.

For more information, or to purchase BMC's 1984 Bottled Water Market & Packaging Report, contact Janet Fanshawe, Beverage Marketing Corp., 866 Second Ave., New York, NY 10017; or telephone 212/688-7640. □

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Soft drink ban overturned by appellate court

(Continued from page 1)

lunch period.

The appellate court found that former agriculture secretary Bob Bergland exceeded his authority in 1979 by barring the sale of so-called "junk food."

The court reasoned that Congress had only intended to restrict the sale of convenience foods in the immediate area where and when the federal school lunch program was offered.

"It is an obvious fact of life that the meals offered under the school lunch program and the snacks being offered by (convenience food manufacturers) are in direct competition," the court said. But the "congressional intent was to confine the control of junk food sales to the food service areas during the period of actual meals service," the judges ruled.

The court maintained that it has "no trouble in finding that soda pop, if offered at the same time and place" as the school lunch "would be in competition with those foods for both the child's coins and appetites." Nevertheless, that did not give the USDA the right to ban soft drink sales throughout the entire school grounds, the court ruled.

The appellate court ruling not only addresses the sale of soft drinks, but the other competitive foods mentioned in the rule. □

Beverage Business Indicators*

Selected Consumer Price Index (base: 1967 = 100)

	July 1983	August 1983	% Change	August 1982	August '82 vs. August '83 % Change
Cola	307.8	312.4	1.5	304.3	2.7
Other carbonated soft drinks	142.6	146.3	2.3	144.8	1
Noncarbonated drinks	140.7	140.5	(.1)	137.7	2
Wine	245.2	234.8	(4.2)	238.9	(1.7)
Beer and ale	223.6	224.4	.4	211.9	5.9

The Consumer Price Index (CPI) is a measure of the average changes in prices over time in a fixed "market basket" of goods and services. The index measures price changes from a designated reference date which equals 100 (usually 1967). An increase of 22 percent, for example, is shown as 122. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from $10 in 1967 to $12.20.

Source: U.S. Department of Labor Bureau of Labor Statistics

Closures for Beverages (thousands of gross)

	April 1983	May 1983	% Change	May 1982	May '82 vs. May '83 % Change
Metal (for spirits, wines)*	73,005	90,063	23.4	56,930	53
Plastic (for spirits, wines)*	113,017	113,980	1	115,652	(1.4)
Metal Crowns (beer & soft drinks)	15,475	15,503	.2	20,584	(25)
Soft drinks (convenience and conventional types)	6,481	6,155	5	9,528	(35.4)
Beer (convenience and conventional types)	8,994	9,348	3.9	11,056	(15.4)
All other metal closures other than crowns	7,624	9,281	21.7	6,108	51.9

*thousands of units

Source: U.S. Department of Commerce Bureau of the Census

Bottle Shipments (thousands of gross) (not seasonally adjusted)

	April 1983	May 1983	% Change	May 1982	May '82 vs. May '83 % Change
Glass Bottle Production Total Bottles:	24,299	26,251	8	26,693	(1.7)
Beverage: Refillable	326	350	7.4	441	(20.6)
Nonrefillable	4,545	5,400	18.8	5,252	2.8
Beer: Refillable	341	331	(2.9)	253	(31)
Nonrefillable	8,561	9,281	8.4	9,462	(1.9)
Liquor	1,055	1,127	(6.8)	1,057	6.6
Wine	700	785	12.1	743	5.7
Plastic Bottle Production* Carbonated beverages	175,972	188,619	7.2	187,222	.75

*thousands of units

Source: U.S. Department of Commerce Bureau of the Census

Selected Producer Price Index (base: 1967 = 100)

	July 1983	August 1983	% Change	August 1982	August '82 vs. August '83 % Change
Soft drinks	323.9	325	.33	321	1.2
Alcoholic beverages	206.3	206.4	.05	199.3	3.6
Beverages and beverage materials	263	263.4	.15	258	2.1
Packaged beverage materials	324.5	324.3	(.06)	323.3	.31

The Producer Price Index (PPI) is a measure of the average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were formerly called the Wholesale Price Index. The name was changed to more accurately reflect the coverage of the data. PPI's are designed to be interpreted in the same manner as the CPI.

Source: U.S. Department of Labor Bureau of Labor Statistics

Imported Beverages (proof gals)

	June 1983	July 1983	% Change	July 1982	July '82 vs. July '83 % Change
Beer*	16,430,629	18,922,755	15.2	NA	–
Whiskey	12,201,589	4,121,614	66	NA	–
Brandy	526,653	369,449	(30)	NA	–
Gin	529,830	564,845	6.6	NA	–
Rum	89,652	150,648	68.2	NA	–
Cordials & liqueurs	718,127	642,349	(10.6)	NA	–
Others	1,359,656	627,778	(54)	NA	–
Total	31,856,048	25,399,438	(20.3)	NA	–
Sparkling wines	796,739	737,920	(7.4)	NA	–
Still wines, table	10,095,973	9,122,165	(9.6)	NA	–
Still wines, fortified	246,161	159,627	(35.2)	NA	–
Vermouth	211,519	126,061	(40.4)	NA	–

*Includes ale, stout, porter

NA: Not Available

Source: National Association of Beverage Importers, Inc.

Sweeteners (cents per pound)

	August 1983	September 1983	% Change	September 1982	September '82 vs. September '83 % Change
42% Corn Syrup High Fructose Decatur, IL, tank cars, cwt	12.09	12.09	–0–	NA	–
55% Corn Syrup High Fructose Decatur, IL, tank cars, cwt.	14.25	14.25	–0–	14.25	–0–
Sugar, liquid ind. No. 2 per cwt. solids, F.O.B. (N.E. refinery)	32.20	32.20	–0–	32.45	(.8)

NA: Not Available

Source: The Journal of Commerce

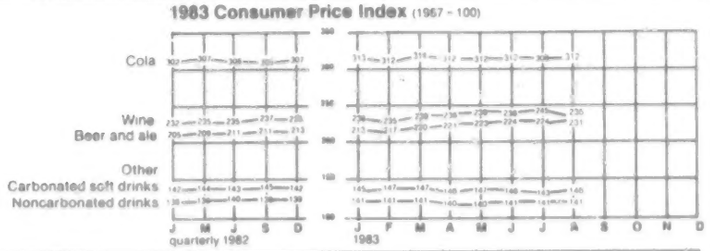
Alcoholic Beverage Removals (barrels of 31 gals)

	May 1983	June 1983	% Change	June 1982	June '82 vs. June '83 % Change
Beer	17,123,718	17,334,201	1.2	17,444,742	(.63)
Wine*	35,210,696	35,442,114	.7	32,935,816	7.6
Spirits*	31,161,321	32,452,675	4.2	31,815,950	2

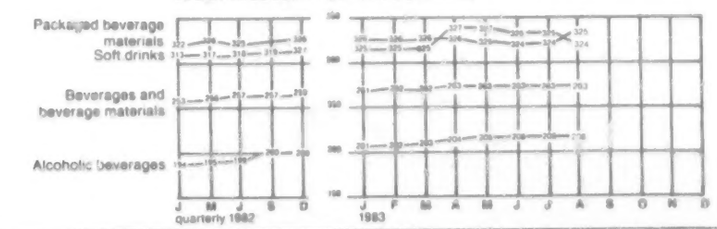
*wine gals

Source: U.S. Department of the Treasury Bureau of Alcohol, Tobacco and Firearms

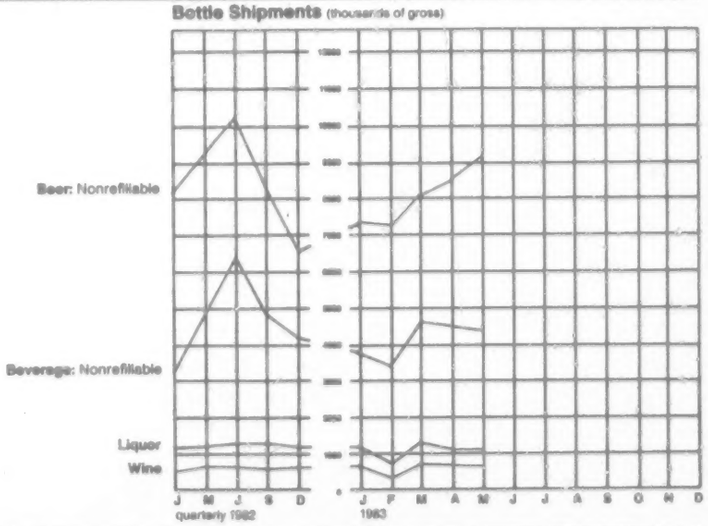
1983 Consumer Price Index (1967 = 100)



1983 Producer Price Index (1967 = 100)



Bottle Shipments (thousands of gross)



* Compiled by Statistical Research Center (SRCH) for Beverage Industry

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12 oz. vs. 300 ml. vs. 350 ml.

Bottlers flood aseptic market

(Continued from page 1)
ductions and drastic discounting and they must find ways to expand their base profitability into the larger total refreshment beverage area.

Small market

By comparison with the U.S. soft drink market, the aseptic juice and juice drink market is small. **Beverage Industry** estimates that 1.6 billion packages were sold in the U.S. in 1983. This is equivalent to approximately 47 million 288 oz. cases, or about 1.2% of the total carbonated beverage market. They are also a small part of the total juice and juice drink market. The estimated 105 million gallons of product represents approximately 7% of this market.

In juices and juice drinks, frozen concentrate represents almost 50% of total gallonage. Except for aseptics and other ready-to-serve packages, however, the total market is stagnant. The Florida Dept. of Citrus reports that the "ready-to-serve carton, can and bottle" section will be up an estimated 14% in 1983.

The numbers should increase dramatically over the next three years. Increased distribution as a result of the soft drink industry activity will provide impetus. Anticipating a move into larger containers, the gallonage numbers will also increase.

Combibloc has a 300 ml and 355 ml container and several users are already in the marketplace.

12-oz. size

Brik Pak also has a 12 oz. size ready to go. Although the firm would not reveal the name of the first user, a company spokesperson told **Beverage Industry** that the container would have a pull-tab opener instead of the straw punch hole which is usual for the containers.

From other sources, **BI** learned that the first user would be the Quaker Oats/Stokely Van Camp Co. for its Gatorade isotonic drink. Company sources would not comment on any future plans for the beverage, but did acknowledge that it intended to be more aggressive with Gatorade.

In other countries where aseptics have been introduced, growth has been dramatic. Brik Pak executives point to similarities between the U.S. and Japanese markets where they report aseptics have reached a 25% per capita consumption level.

Based upon a number of factors, including the growing health-consciousness of the U.S. populace, **Beverage Industry** projects the aseptic juice and juice drink market to double in 1984 and to reach an estimated 4 billion units in 1985. At that time, the packages could represent as much as 30% of the total juice and juice drink market and equate in size to approximately 5% of that of carbonated beverages.

*(**Beverage Industry's** market estimates and projections are derived from a number of sources, including off-the-record conversations with suppliers, packaging analysts and major marketeers of the products.)*

Methods of entry

Except in the very large markets, producers feel that the volume is not there initially to justify expense of installing their own packaging equipment. Long term, as volume builds, the savings in costs will influence more firms to install their own equipment and eventually franchise their product.

In addition to Louisiana Coke and Mid-South Pepsi, which have installed their own production facilities, other major firms with plans to go this route include Houston Coca-Cola. At least five other major firms are planning to establish their own production centers to produce for their markets. Soon on the drawing boards are plans for several co-ops to purchase processing and filling equipment to supply products to its members.

For those firms seeking entry to the market there are other options. Both Combibloc and Brik Pak will assist in arranging co-packing services.

Many co-packers are also actively seeking business. One such is Power Packaging which will supply product for test marketing or for market entry. The firm is also putting together a program to actively franchise and assist bottlers interested in getting into the market.

SquirtCo. is also in the process of putting together a package deal for soft drink franchises.

Inquiries from other bottlers have encouraged Squirt to seek ways to increase distribution. Company executives have been "actively exploring" the possibility of a

Comparisons of aseptic packaging systems

Sales office	Continental Can Stamford, CT 203-964-7457	Brik Pak, Inc. Dallas, TX 214-934-0308	Combibloc, Inc. Columbus, OH 614-885-7220	International Paper Raleigh, NC (Jan. '84) 212-536-7291
Terms	Lease equipment, royalty fees for machine usage and materials	Lease equipment, machine use fee/1,000 packages, purchase material	Purchase or lease equipment, no fees, royalties, rentals, buy materials	Lease equipment, machine use fee per 1,000 packages, purchase materials
Packageable foods	Dairy (incl. cottage cheese), water, wine, oil particulates	Liquids only—dairy, juices, sm. particulates, water, wine, oil	Dairy and juices, yogurt, water, wine, oil, syrups, puddings, milkshakes	Liquids only—dairy and juices, no particulate matter, water, wine, oil
Packaging materials	Cup: thermoformed plastic laminate, available with U.V. barrier, transparent or opaque materials. Lid: tear & peel foil or plastic laminate	Paper—plastic aluminum foil laminate. Foil is U.V. barrier	For UHT products: paper—plastic aluminum foil laminate. Foil is U.V. barrier. Paperboard/plastic laminate for fresh products (pasteurized)	Paper—plastic aluminum foil laminate Foil is U.V. barrier
Package seal	Pressure heat polymer to polymer	Longitudinal: internal strip, induction, polymer to polymer; bottom: induction, polymer to polymer; top: induction, polymer to polymer	Longitudinal: skived overfolded; bottom: heat/pressure polymer to polymer; top: ultrasonic polymer to polymer; steam—flushed headspace, no internal tape headspace	Longitudinal (top): induction polymer to polymer; (sides) bottom/top: induction polymer to polymer; all fin seals no overlap, seals through product, no internal tape, no internal
Labels	Cup: pre-printed paper or paper-backed foil heat-bonded to cup during molding; lid: pre-printed paper or foil	Rotogravure or flexographic pre-printed on rolls of packaging material	Rotogravure pre-printed on pre-formed sleeves	Rotogravure or flexographic pre-printed on rolls of packaging material
Sterilization	Materials sterilized at manufacturer, protective coating peeled during molding/filling, non-chemical	35% H_2O with wetting agent, sterile heated air to dry packaging	35% H_2O without wetting agent, sterile heated air to dry pre-sterilization with steam	35% H_2O with wetting agent, heated, steam for pre-sterilization; sterile air
Packaging options	Single unit or multi-pack, capability to put two or more flavors in the same multipack at time of fill; option of full-peel or non-peel lid with or without straw	Single units which can be combined in trays with or without handles, in trays shrink-wrapped or bundle-packed; packages from two or more fillers can be routed to same packer to make multi-flavor packs; straw applicator for small sizes	Single units which can be combined in trays with or without handles, in trays shrink-wrapped or bundle-packed; packages from two or more fillers can be routed to same packer to make multi-flavor packs; straw applicator for small sizes	Same as Brik pak; also paperboard sleeves
Package shapes and types	100's shapes, limited only by mold design, semi-rigid	Brick only, flexible package	Brick only, flexible	Brick only, flexible
System flow	Horizontal	Vertical	Horizontal	Vertical
Dimensions (Approx.)	8' x 26', 8' High	10.4' x 5.7', 11.8' High	7.6' x 24', 10.5' High	7.2' x 4.5', 10' High
Feed	Web	Web	Individual pre-formed container	Web
Weight	18,000 lbs.	10,382 lbs.	CF-5000: 14,080 lbs. CF-6000: 13,420 lbs.; filler & control cabinet: 2,088 lbs.	5,984 lbs.
Line speeds in 1000's of cartons per hour	Range: 5,000/hr. (32 oz. sizes/946 ml) to 90,000/hr. (½ oz.) Model: Conoflast system up to 16 filling heads	(All sizes): 6,000/hr./head Model: "Type AB"	CF-6000: Speed: 6,150/hr./2-track (200-500 ml sizes); CF-5000: Speed: 5000/hr./head (500-900 ml, 1-L)	Model: IP web-fed aseptic packaging single-head machine; 200-250 ml: 3500/hr./head; 500, 946 ml and 1-L: 3000/hr./head
# of operators required	One per machine	One for up to three fillers	One for up to two fillers	One per filler
Noise	Within OSSHA standards, operator needs no earplugs	75 dBA—within OSSHA standards, operator needs no earplugs	Within OSSHA standards, operator needs no earplugs	Within OSSHA standards, operator needs no earplugs
Compressed air: working press/consumption	90 PSI/132 cfm/no vacuum used	85-115 PSI/18 cfm	88 PSI/CF-5000: 77 cfm, CF-6000: 67 cfm	85-100 PSI/21 cfm
Steam (work press/consumption)	No steam—heat (350°F) used for pre-sterilization; 81.3 KW consumption	18-30 PSI	19.8 PSI/CIP/ ½ hour usage for pre-sterilization	7.3 PSI/CIP and ½ hour usage once/day for pre-sterilization
Electrical	440V-60 HZ/Max. 3-phase/50 KW operating consumption	220V-440V 3-phase/60 HZ/18 KW consumption	440V-60 HZ—3-phase 17 KW consumption	220V or 440V-60 HZ/20 KW 3-phase consumption
Container dimensions	30 + shares, each with its own dimensions; Range: bases: 1" x 1" to 6" x 6", diameters 1" to 6"; heights: ½" to 5"; more than or equal to 4" high, depending on height to diameter ratio (thinning ratio)	Sizes 178 ml-284 ml: base: 41 mm x 8.3 mm height: 75.5 mm x 119.7 mm; Size 300 ml: base: 47 mm x 63 mm height: 109 mm; Sizes 500 ml—1-L: base: 63 mm x 95 mm; height: 87.7 mm x 167 mm; additional sizes (down to 125 ml)	Sizes 200-250 ml: base: 47.5 mm x 78 mm height: 82 mm-145 mm; Sizes 500 ml—1-L: base: 63 mm x 95 mm; height: 95.5 mm x 172 mm; additional sizes depending on customer requirements	Sizes 200-250 ml: base: 34.5 mm x 65 mm height: 82-103 mm; Sizes 500 ml—1-L: base: 82 mm x 95 mm; height: 85 mm 167 mm
System in use since	Non-aseptic—mid-1970s; Aseptic—1982	Non-aseptic—1952 Aseptic—1961	Aseptic (CF series) 1976	Aseptic only—1977
Pilot/Demo/Test plants	Full scale lab at Continental Can, Chicago (Oakbrook), IL	NC State Univ. allows test run by appt. New facility opens in Dallas in mid-1984	Opened in Columbus, OH recently. Europe or co. pack facility—contact Combibloc	IP research facility located in Wallkill, NY

Copyright: Beverage Industry and Marty Westerman, January 1984

12 oz. vs. 300 ml. vs. 350 ml.

Bottlers flood aseptic market

cooperative concept. While the firm is still formalizing plans, it is conceivable that it could assist in the setting up of aseptic co-operatives.

From the field

Aseptic packaging is so new, that track records are difficult to determine. Most of the manufacturers who have been utilizing the package are strong advocates of the system and are voicing ardent opinions. In fact, many manufacturers are still planning to expand their product line using aseptic packaging.

"We've made a very strong commitment in the field (aseptics)," said Larry Johnson, vp-marketing development for Dairymen, Inc. of Louisville, KY.

"We see this as a viable extension of our corporate mission—to increase sales," he said. Dairymen produces milk and flavored lowfat milk, with the brand name "Sip-Ups."

"Total aseptic use in the beverage industry will grow substantially in the next few years. The products taste better than they would in cans and they're certainly less expensive than metal or glass," said Johnson. The company has enjoyed increases in sales because many of its products are new categories in the marketplace, according to Johnson.

Dairymen uses the Brik Pak packaging system in quarts and half-pints. The company, which utilizes the Alfa-Laval processing system, markets its products in Philadelphia, Maryland, Virginia, West Virginia, Tennessee, North and South Carolina, Georgia and Florida.

Good success

Meanwhile, Gordon Crane, president of Apple & Eve, Inc. in Great Neck, NY, said his firm is having good success using the Brik Pak system for his company's apple and combination apple-cranberry juices in 250-ml packages.

"I'd say on projected figures we're doing very well in the competitive environment that exists," said Crane, in assessing his company's overall success in aseptics.

Crane, however, was wary of 1-L packaging. "I don't see 1-L as being successful for marketing reasons," he said, adding that manufacturers and chain stores promotion of apple juices and others are operated on little margin. He mentioned too that the .5-L is "selling as well" as 1-L in markup.

Crane said that although his aseptically-packaged products are perceived as being "back-to-school" items, they sell steadily in the fall, winter and spring. He added that his firm promotes the products in the late spring and early summer to coincide with summer outings, especially picnics during the summer holidays.

Apple & Eve, Inc., markets its products from Maine to Miami and out to Chicago, according to Crane. Presently, the firm has no plans to expand its product line or its marketing territories.

Some skepticism

Just because aseptic packaging is looked upon with high regards by some bottlers does not mean, however, that the system has no detractors. It does. Still, some disparagers take a moderate view.

Dave Rowse, president of New England Apple Products Co., Inc., of Littleton, MA, however, is a little more skeptical of aseptic packaging than most other producers.

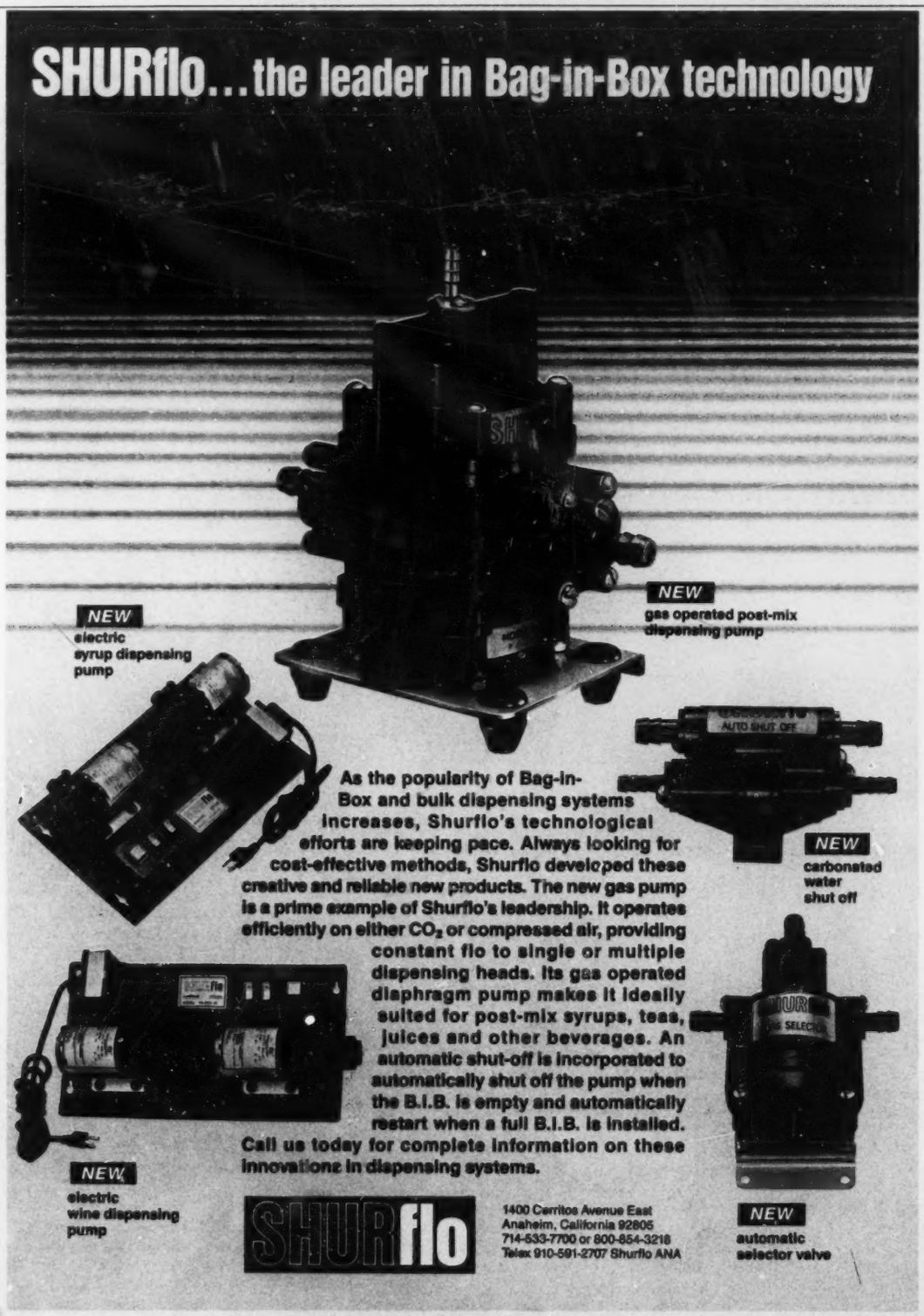
"I'm not as optimistic as others are," he said, explaining that his firm utilizes Glass-Pak packaging systems. "I don't think aseptics will take over the marketplace as others think, that's my guess," Rowse said.

New England Apple Products, which Rowse says uses the Brik Pak system and the APV processing method via a contract packager, markets apple, orange and grape juices in 32-oz. packages; and apple and orange juice, fruit punch and grape drink in 250-ml.

The company, according to Rowse, has not experienced sales trends of any consequence because the firm has been in production for about one year.

But, Bill Hugueley of the Texsun Corp. of Weslaco, TX, said that sales for his company's aseptically-packaged products are "ahead of last year." Hugueley, however, said that the liter package is difficult to move on the retail shelf because consumers are not accepting the package. "Consumers have been inundated with cans in the past to the point that they're not used to the new packages," he said. Texsun produces orange, pineapple, pink grapefruit, orange-pineapple and pineapple-pink grapefruit juices in 250-ml and 1-L packages, utilizing the Brik-Pak system and the APV processing system.

Texsun markets its juices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in Texas, Louisiana, Arkansas, Tennessee, Oklahoma, Colorado, New Mexico, Iowa and Wisconsin.

Texsun is considering expanding its product line to apple and grape juice. According to Hugueley, the company is committed to the future of aseptics. "Aseptics will be here," he said. "We're going to stay in it. Afterall, we didn't build a $1.5-million plant to get out. We're spending money on them."

Another big supporter of aseptics is Bob Stevens, president of Fruit Box, Inc. in Atlanta, GA.

Fruit Box

"Brik Pak is the leader," said Stevens, whose company uses the system. The company markets its drinks in 250-ml sizes. Fruit Box, Inc. has the Alfa-Laval processing system and distributes its fruit drinks in the southeast.

Stevens, an Australian native, admitted that his firm's summer sales were "very slow" because many consumers purchase aseptics as lunch box foods for school-age children. A major market for aseptic products, Stevens perceived, will be vending. But, "we don't have money for vending, to be truthful," he said, adding that adults will play a major role in aseptic product sales.

Unlike most of the other processors mentioned here, MSB Manufacturing's Rainbow Farm product has yet to hit the market. This large regional Pepsi bottler is one of the first soft drink bottlers to go into the aseptic market with its own product. (See Beverage Industry, Dec. 1983.)

Franchise inquiries

MSB anticipates its 100% grape, apple, orange and punch blend in 250-ml Combibloc packages will hit the streets in mid-January with distribution in four states, including Louisiana, Tennessee, Arkansas and Mississippi. MSB has hopes of further expansion of the product through franchising.

"We've had a lot of inquiries," said Michael Barclay, vp-marketing for MSB. "And we've noticed a lot of enthusiasm from retailers. They're excited about aseptics and our direct-store distribution system," he added.

Barclay said 60% of the cost of energy in a food store is from refrigeration, which aseptic packages eliminate the need for. In addition, because of the direct-store delivery system, MSB's aseptic products won't take up food store warehouse space.

While Barclay does not have any actual market experience yet with his product, he has strong feelings about how sales will go. "It's perceived as a kids' package now," he said. "So sales might skew a little more to the school months because it's a great package for lunches. But when the adult population begins to accept it, the aseptic sales curve will look a lot like soft drinks."

But he added: "No matter what the sales curve is like today, it will be different tomorrow. We don't even know if the 250-ml size or the three-pack will be around tomorrow."

Taking a different view is Jonathan Graves, president of Real Fresh, Inc. of Visalia, California.

"We see the range of aseptic products increasing dramatically in the next 18 to 24 months," he said, adding that his company uses Brik Pak. The company recently purchased a NAS Aseptic Conoffast form/label/fill/seal machine to help package a variety of low and high-acid food products in 5-oz. and half-pint containers for marketing under its own label and for contract packaging.

Real Fresh markets whole milk in 32-oz. Brik Pak packages using the APV and Cherry-Burrell processing systems. The firm also handles 2% lowfat milk, chocolate milk, low-sodium milk and orange, apple, grape and grapefruit juices in one-quart and 250-ml sizes.

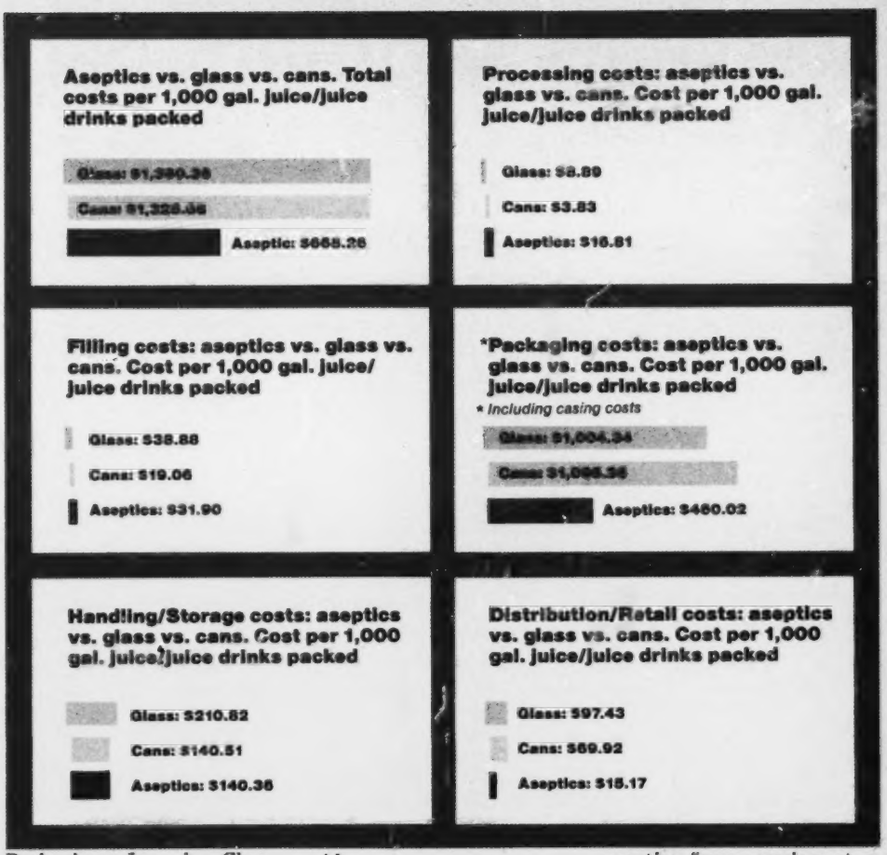
The company, meanwhile, recently introduced chocolate and white milk in an 8-oz. size and juice concentrate in quarts.

Marketing its products in 11 western states, Graves says that summer sales were "seasonable.

"We see an increase for quart sizes. The 8-oz. package," he adds, "is primarily tied to school."

The Brik Pak system, according to Graves, "is meeting our expectations. We've been in aseptics for nearly 30 years but the Brik Pak is a new package for us.

The Brik Pak aseptic system is also meeting the expectations also of Bill Driver, president of Green Spot Packaging, Inc. in Claremont, CA.


Aseptics vs. glass vs. cans. Total costs per 1,000 gal. juice/juice drinks packed
Glass: $1,390.36
Cans: $1,328.06
Aseptic: $668.26
Processing costs: aseptics vs. glass vs. cans. Cost per 1,000 gal. juice/juice drinks packed
Glass: $8.89
Cans: $3.83
Aseptics: $16.81
Filling costs: aseptics vs. glass vs. cans. Cost per 1,000 gal. juice/juice drinks packed
Glass: $38.88
Cans: $19.06
Aseptics: $31.90
*Packaging costs: aseptics vs. glass vs. cans. Cost per 1,000 gal. juice/juice drinks packed
* Including casing costs
Glass: $1,004.34
Cans: $1,096.36
Aseptics: $460.02
Handling/Storage costs: aseptics vs. glass vs. cans. Cost per 1,000 gal. juice/juice drinks packed
Glass: $210.82
Cans: $140.51
Aseptics: $140.36
Distribution/Retail costs: aseptics vs. glass vs. cans. Cost per 1,000 gal. juice/juice drinks packed
Glass: $97.43
Cans: $69.92
Aseptics: $15.17

"I'd have to say that it (Brik Pak aseptics) is a very qualified success," he proclaimed, adding that his firm markets its orange, grape, fruit punch drinks and its "Action Ade" in 250-ml packages. Green Spot Packaging markets its products throughout southern California, Oregon, Washington State, parts of Nevada and Arizona. The company will be introducing a new product on the market soon but Driver refused to elaborate.

Consumer education

Although summer sales were "down substantially," Driver believes the downturn is the direct result of inadequate consumer education. "We're dealing with a very narrow consumer base," he said.

Many consumers, particularly mothers, he said, purchase aseptic juice products for their children's lunch boxes during the school year and discontinue their purchasing during the summer. "It's a matter of educating the consumers," he said.

His company's commitment to the future of aseptics is clear. "The future of aseptics is nothing but bright. People will find out that aseptics are more economical."

Known as "the paper bottle" at Ocean Spray Cranberries, Inc. of Plymouth, MA, sales of aseptically-packaged products "have been sensational," according to John Lawlor, a spokesman for the company.

"Sales have been pretty consistent throughout the year," he said, adding that aseptics "are growing at a rapid pace" for Ocean Spray.

Giving credence to the general belief that American consumers need to be educated towards aseptics, Lawlor said: "Once the consumer understood the package, it grew.

Anything that is now in cans," he said, "will be available in aseptics in the years ahead." Because the aseptic system is less expensive than glass, Lawlor says that Ocean Spray is able to pass the savings onto the consumer. "Convenience and value are two important advantages of aseptics. The whole aseptic area is very important to us."

Ocean Spray

Using the Brik Pak aseptic system with APV processing, Lawlor says that the company is marketing its line of juices in the 250-ml package.

Ocean Spray markets its renowned Ocean Spray Cranberry Juice Cocktail, Cranapple, Crangrape, Pink Grapefruit Juice Cocktail, Apple Juice and Grapefruit Juice throughout the U.S. The company, meanwhile, is test marketing four concentrate flavors (apple juice, cranberry juice, pink grapefruit juice, and cranapple) in four markets—Harrisburg, PA; Syracuse, NY; Denver, CO, and Phoenix, AZ.

Lawlor, who claimed that Ocean Spray is the "pioneer" of aseptically-packaged products, said that the company will open a new aseptic plant in Texas and add capital improvements to a Wisconsin plant.

Still another juice producer will begin rolling out nationally this year using asep-

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Del Monte Corp. has introduced these five flavors of fruit nectars packaged in 200 ml aseptic packages.

Aseptics segment packaging industry

by Joe Cavanagh, president, Joe Cavanagh Associates

The past year has witnessed the greatest segmentation of the carbonated soft drink industry since the inception of the business.

The results of the introduction of aspartame, the no-caffeine saccharin replacement, although threatening to some companies, has generally proven to be good for the soft drink industry. In fact, the birth of aspartame has even revived the industry's overall growth.

The beverage industry's non-carbonated juice drink segment now seems poised for a different kind of segmentation. This time the segmentation is in packaging, with the introduction of single-service size aseptically-packaged juice drinks in plastic-foil-paper composite cartons.

Bottlers' role

More significantly, the principal participants in this packaging innovation in the juice market may prove to be the soft drink bottlers, rather than the companies long associated with juice drink manufacturing and distribution.

The carbonated soft drink bottling groups throughout the country, after a decade of consolidation, have become major factors in the beverage industry. In fact, some firms are beginning to rival the soft drink dollar sales of their parent companies. Further consolidation within the industry, however, is limited. Continued high growth rates are unlikely to be satisfied within the confines of the carbonated soft drink market.

Bottler motivation

The most likely place to look for added growth is in the closely-related juice market. In this market, the bottlers can see a variety of opportunities:

1. To produce a product under their company's own name, or at least a product not controlled by the parent company;
2. To lower distribution costs by utilizing their existing distribution system; or, alternatively, to gain experience in the conventional warehouse and other forms of distribution associated with food marketing;
3. To reduce their dependence on can and glass suppliers by participating in the assembly of the container; and becoming more involved in the container's production at a later time;
4. With the non-carbonated juice market complementing the bottlers present soft drink market;
5. To enter the institutional food service market, especially in schools where carbonated soft drinks are often banned at lunch time;
6. By offering the aseptic package as an extension of his present business because the present and future economics of the package look good; or as a hedge against rising costs of his present product line;
7. To protect his present carbonated soft drink business as a defensive measure.

"The principal participants in this packaging innovation ... may prove to be the soft drink bottlers ..."

Container economics

The juice market has long been the bastion of the 46-oz. metal can and glass bottles from one- to two-quarts. These packages have proven to be quite cost effective in delivering the product to the consumer. The cost of the primary container, plus the closure and the reshipper, ranges around one-half cent per fluid ounce of the packed product. In this price range, family-sized commercially packed juice drinks can be priced at retail to rival the cost of similar powdered drinks mixed at home.

Meanwhile, the 16-oz. and smaller-sized package cost per product increases dramatically for metal and glass.

The present cost of a 12-oz. aluminum can is now in the area of eight cents each and is expected to go to the nine- to 10-cent range by year's end when the effects of recent and pending aluminum price increases are felt in the can market. The can cost then goes from eight-tenths of a cent to over nine-tenths of a cent per ounce when secondary packaging costs are included, or up to 80% higher than the family size container cost.

A lightweight, prelabeled 12-oz. juice bottle, including closure and reshipper, and a six-pack gripping device could probably be delivered for under seven cents each, or under six-tenths of a cent per ounce of product. The cost is approximately 20% higher than the family size package.

The paper, plastic and foil aseptic contender is the 350-ml (11.835 oz.) size package. It is now selling for under six-and-a-half cents, including a reshipper carton and a plastic three-pack wrapper. The packaging costs per ounce, at a little over one-half cent now runs about 10% more than the family size cost.

The real message, however, is that these unit costs can be expected to decrease to a level of four-and-a-half to five cents in time. The basic material costs for the laminated construction is under three cents a unit. As improvements in the manufacturing process are made, a projected selling price between four-and-a-half to five cents seems reasonable. At this price level, the single service cost per ounce drops to the range of four-tenths of a cent per ounce, or 20% less than the present cost in family size containers.

Filling-line costs

The lowest cost filling-line operations are the glass and can filling lines, essentially requiring nothing but a hot fill to attain the desired level of sterility. Can filling speeds can run in the 1500-per-minute range, and glass lines can range from 750- to 1300-per-minute. The can filling line for juice drinks requires the injection of liquid nitrogen at the time of filling. This process gives the container some rigidity in storage and shipment. The added operation may act to slow down filling speeds for cans.

The aseptic filling lines call for a forming, filling and sealing operation to be conducted in whole, or in part, under sterile conditions.

The jury is still out, however, on the true operating costs of forming, filling and sealing the aseptic container. But it appears that full costs, including the expense of money and depreciation, are now in the range of 1.5 to 2.0 cents per container in the 350-ml size, according to the makers of the filling lines.

With the advent of aseptic packages on the American marketplace, however, bottlers may see a shinier financial light at the end of the consumer spending tunnel. □

About the Author

A native of New York City, Cavanagh founded the packaging consulting firm of Joe Cavanagh Associates in 1977. His firm provides a variety of services to many leading packaging companies, chemical producers and machinery makers.

Cavanagh has served in various executive positions with Klenie & Co., the American Can Co., Consolidated Cork and Midland Glass. He attended Queens College, City College and Fordham University and graduated with a Bachelor of Science degree in chemistry.

Cavanagh is a professional member of the Packaging Institute, USA.

NY brewer uses deposit law to launch unique promotion

UTICA, NY—The controversial New York State bottling law has proven to be a blessing for at least one regional brewery.

Just days before the law took effect in September, the F.X. Matt Brewing Co., headquartered here, launched a promotional campaign offering to pay the deposit on returnable packages of Matt's Premium Beer.

What is the result? "We're pleased with it," said Robert C. Flaherty, a spokesman for the brewery, adding that the promotion ended November 15. "We're waiting for the dust to settle."

"The promotion worked ideally for us. It gave an incentive to our salesmen when they contacted area bottlers because of the promotional qualities," he said.

One of the biggest boons the company's campaign had was with local retailers. Said Flaherty: "Just about every chain store in upstate New York offered us a featured space."

The Matt's deposit promotion offered consumers up to $2.40 in refunds, or the equivalent of the deposit on two cases of beer. The refund offer coupons appeared in major newspapers, and on shelf talkers and bottle hangers at the point-of-purchase, according to Frank Owens, vp-advertising.

"Our deposit refund offer worked ideally with the implementation of the law. It was timely because it capitalized upon the law's news value and it served to minimize consumer 'price-shock,'" said Owens, explaining the offer was designed to stimulate volume purchases.

"Think of it," he added, "there really was no better time to offer a refund."

● For more information on **F.X. Matt Brewing,** circle no. 402. □

12 oz. vs. 300 ml. vs. 350 ml.

Bottlers flood aseptic market

(Continued from page 53)

tic packaging.

Louisiana Coke, which introduced "Squeeze" last August, will hit several major metropolitan markets in the spring, according to Ben Blake, gm of Refreshment Enterprises, Inc., a wholly-owned subsidiary of Louisiana Coke. "Squeeze" is a 35% fruit juice drink.

The drink is targeted toward teens and young adults compared to most other aseptic products on the market that are aimed at children.

"We presently have 45 vendors in the New Orleans market," said Blake, "We'll be rolling-out in the spring to establish 'Squeeze' nationally into major markets. Later, we'll be filling-in around the metro regions," he mentioned.

Blake said that his firm is "actively soliciting bottlers" for "Squeeze." He added that Refreshment Enterprises has 16 franchises to be rolled out by March with several others under negotiations.

In an exclusive interview published in BI's NSDA Show Daily last month, it was stated that Louisiana Coke began production with two Tetra Pak machines, which produces "Squeeze" in five flavors—apple, orange, grape, island punch and fruit punch—in 250-ml packages.

As companies begin to expand upon their product base using the less-expensive aseptic system, many more consumers should soon realize the savings on the retail shelf compared to other forms of packaging. No doubt the future of aseptics is bright.

● For more information, on **Combibloc,** circle no. 282 on reader service card; on **Brik Pak,** no. 283; on **Louisiana Coke's Squeeze,** no. 284; on **MSB's Rainbow Farm,** no. 285; on **Squirt's Sunglo,** no. 286; on **Dairymen, Inc.,** no. 287; on **Apple & Eve, Inc.,** no. 288; on **New England Apple Products,** no. 289; on **Texsun Corp.,** no. 290; on **Fruit Box,** no. 291; on **Real Fresh,** no. 292; on **Green Spot,** no. 293; on **Ocean Spray,** no. 294. □

Leading imported beer brands

(Mil. Gallons)

	1979	Pct. of Market	1980	Pct. of Market	1981	Pct. of Market	1982	Pct. of Market	1983E	Pct. of Market	Change
Heineken	59.1	42.9%	53.5	37.8%	62.9	38.9%	68.7	38.5%	72.8	37.8%	6.0%
Molson	29.3	21.3	31.7	22.4	32.0	19.8	32.0	17.9	30.6	15.9	4.4%
Becks	5.6	4.1	7.3	5.2	10.0	6.2	14.0	7.9	18.4	9.6	31.4
Moosehead	2.0	1.5	5.6	4.0	7.9	4.9	11.2	6.3	13.5	7.0	20.5
Labatt	6.6	4.8	6.9	4.9	9.0	5.6	9.5	5.3	9.8	5.2	3.2
Dos Equis	7.0	5.1	7.0	4.9	7.0	4.3	10.5	5.9	7.5	3.9	(28.6)
St. Pauli Girl	2.0	1.5	2.4	1.7	3.0	1.9	4.5	2.5	7.0	3.6	55.5
Carling O'Keefe	–	–	–	–	4.5	2.8	4.0	2.2	5.5	2.9	37.5
Guinness Harp	1.6	1.1	1.7	1.2	3.9	2.4	4.1	2.3	3.2	1.7	(22.0)
Tecate	–	–	–	–	3.8	2.3	2.7	1.5	3.0	1.6	11.1
Foster	1.4	1.0	1.6	1.1	1.7	1.0	1.7#	1.0	2.5	1.3	47.1
Amstel Light	–	–	0.5	0.3	0.7	0.4	1.1	0.6	2.5	1.3	127.3
Grolsch	1.4	1.0	1.6	1.1	1.8	1.1	1.5	0.9	2.0	1.0	33.3
Kirin	–	–	–	–	1.4	0.9	1.3	0.7	1.7	0.9	30.8
Corona Extra	–	–	–	–	–	–	0.2	0.1	1.7	0.9	*
San Miguel	–	–	–	–	1.1	0.7	1.4	0.8	1.4	0.7	–
Bass Ale	0.8	0.6	0.9	0.6	1.0	0.6	1.1	0.6	1.4	0.7	27.3
Tsingtao	0.2	0.1	0.4	0.3	0.8	0.5	1.0	0.6	1.4	0.7	40.0
Kronenbourg	–	–	0.7	0.5	1.2	0.7	1.4	0.8	1.3	0.7	(7.2)
Carta Blanca	1.8	1.3	2.1	1.5	2.3	1.4	1.3	0.7	1.2	0.6	(7.7)
DAB	–	–	–	–	–	–	0.7	0.4	1.2	0.6	71.4
Carlburg	–	–	–	–	–	–	0.7	0.4	1.0	0.5	42.8
Bohemian	–	–	–	–	0.7	0.4	0.8	0.4	0.6	0.3	(25.0)
Kalbeck	–	–	–	–	0.1	0.1	0.1	0.1	–	–	–
Alten Munster	–	–	–	–	0.1	0.1	0.2	0.1	0.4	0.2	*
Wartsteiner	–	–	–	–	–	–	0.1	–	0.2	0.1	*
Raffo	–	–	–	–	–	–	–	–	0.1	–	–
Segres	–	–	–	–	–	–	–	–	0.1	–	–
Others	18.9	13.7	17.7	12.5	4.9	3.0	2.6	1.5	0.6	0.3	*
Total	137.7	100.0%	141.6	100.0%	161.8	100.0%	178.4	100.0%	192.6	100.0%	8.0%

*Not Comparable
#Adversely affected by 2½ month strike in summer of 1982.

Source: Lehman Brother Kuhn Loeb Research

Copyright: Beverage Industry and John Maxwell
January 1984

Imported beer outlook positive with 8% growth

(Continued from page 17)

Light have more than doubled in the past year—from 1.1 million gallons in 1982 to 2.5 million gallons in '83. □

Low alternates appear; suppliers stress promos

(Continued from page 59)

tered film.

For more information, circle no. 312

On display from the **Star*-Pak International Div. of A. Quelch Associates,** was a two-bottle plastic carrier for 2-L PET bottles. Also, bottle carriers for .5-L PET bottles and 16-oz. plastishield bottles.

For more information, circle no. 313

C.W. Zumbiel Co. exhibited Federal Paper Board's Jaket-pak carton for double, triple and quadruple neck-end cans. The new carton minimizes product scuffing with its interlock system.

For more information, circle no. 314

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Circle No. 122 on Reader Service Card

Sanitizing, CIP systems

Automatic units provide effective, improved service

Bonewitz Chemical Services, Inc., exhibiting for the first time at the NSDA show, displayed its new P3 Lube System, an automatic central lubrication system for conveyors that can run up to four lines at one time. Timing devices allow the lubricant to be applied to meet individual conveyor conditions, instead of traditional continuous application. This saves on lubricants and minimizes slippery floors.

The P3 CIP System, in use in many dairies, is about half the price of other CIP systems, the company reports, but is equally effective.

For more information, circle no. 316

Diversey Wyandotte Corp. introduced its DWC Batch Caustic Controller designed to control the dispensing of bulk liquid caustic with microprocessor-based control. Company reports advantages of the system include flexibility, safety, convenience and simplicity of operation.

For more information, circle no. 317

Also displayed was the DWC Portable Circulation Cleaning System designed specifically for cleaning applications in the soft drink industry. It enables quality cleaning results at a tenth of the cost of many other systems, the company reports.

For more information, circle no. 318

CIP Systems, CIP compounds and bottlewashing compounds were featured by **DuBois Chemicals** at the expo with company executives displaying self-infoaming cleaners/sanitizers, polymer synthetic lubricants, boiler treatment compounds and cooling tower treatment compounds.

For more information, circle no. 319

Also on exhibit in the **DuBois** booth was Alfa Laval's aseptic processing equipment, the only one on the floor.

For more information, circle no. 320

Economics Lab., Klenzade Div., displayed its total sanitation program, including conveyor lubricants, sanitizers, CIP detergents, general cleaners and maintenance products, insecticides, bottle washing powders and liquids, warmer treatment, lube dispensers and more.

For more information, circle no. 321

On exhibit in the **Entech Systems Corp.** booth was a full range of improved automatic insecticide fogging sys-

(Continued on page 64)